

Required Supplementary Information

**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –
General and Major Special Revenue Funds**

Fiscal Year Ended June 30, 2007
(Dollars in Thousands)

	General Fund			Final/Actual
	Original	Final		Variance
	Budget	Budget	Actual	Positive
				(Negative)
Revenues:				
Taxes:				
Individual and Fiduciary Income	\$ 9,650,300	\$ 9,968,800	\$ 9,787,592	\$ (181,208)
Sales and Use	3,376,300	3,319,100	3,274,286	(44,814)
Corporation Income	787,600	901,400	879,575	(21,825)
Motor Fuel	-	-	-	-
Motor Vehicle Sales and Use	-	-	-	-
Deeds, Contracts, Wills, and Suits	588,000	554,400	582,946	28,546
Premiums of Insurance Companies	416,400	384,600	384,894	294
Alcoholic Beverage Sales	154,900	158,400	161,845	3,445
Tobacco Products	194,100	187,000	186,920	(80)
Estate	145,000	160,400	152,864	(7,536)
Public Service Corporations	92,800	92,500	87,961	(4,539)
Other Taxes	17,000	26,500	19,229	(7,271)
Rights and Privileges	63,700	64,800	68,407	3,607
Sales of Property and Commodities	100	100	-	(100)
Assessments and Receipts for Support of Special Services	400	400	224	(176)
Institutional Revenue	9,200	8,800	7,169	(1,631)
Interest, Dividends, and Rents	200,568	248,472	229,007	(19,465)
Fines, Forfeitures, Court Fees, Penalties, and Escheats	198,400	172,100	193,280	21,180
Federal Grants and Contracts	-	-	-	-
Receipts from Cities, Counties, and Towns	9,500	10,200	10,281	81
Private Donations, Gifts and Contracts	-	-	16	16
Tobacco Master Settlement	71,082	45,439	50,087	4,648
Other	59,023	65,773	60,894	(4,879)
Total Revenues	16,034,373	16,369,184	16,137,477	(231,707)
Expenditures:				
Current:				
General Government	1,844,411	1,801,933	1,750,274	51,659
Education	7,734,667	7,658,804	7,592,975	65,829
Transportation	339,044	500,044	44	500,000
Resources and Economic Development	291,640	335,845	308,657	27,188
Individual and Family Services	3,983,324	4,010,002	3,919,109	90,893
Administration of Justice	2,213,653	2,239,237	2,220,203	19,034
Capital Outlay	68,171	430,654	175,713	254,941
Total Expenditures	16,474,910	16,976,519	15,966,975	1,009,544
Revenues Over (Under) Expenditures	(440,537)	(607,335)	170,502	777,837
Other Financing Sources (Uses):				
Transfers:				
Transfers In	593,484	571,217	611,041	39,824
Transfers Out	(707,245)	(708,579)	(716,463)	(7,884)
Total Other Financing Sources (Uses)	(113,761)	(137,362)	(105,422)	31,940
Revenues and Other Sources Over (Under)				
Expenditures and Other Uses	(554,298)	(744,697)	65,080	809,777
Fund Balance, July 1	2,890,021	2,890,021	2,890,021	-
Fund Balance, June 30	\$ 2,335,723	\$ 2,145,324	\$ 2,955,101	\$ 809,777

See notes on page 159 in this section.

Special Revenue Funds			
Commonwealth Transportation Fund			
Original Budget	Final Budget	Actual	Final/Actual Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -
500,269	487,335	495,669	8,334
-	-	-	-
902,923	887,892	884,808	(3,084)
615,377	578,865	588,480	9,615
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
35,115	58,191	38,853	(19,338)
507,096	415,149	491,222	76,073
556	556	9,286	8,730
17,575	19,560	18,902	(658)
-	-	-	-
16,551	26,318	115,884	89,566
21,608	10,991	10,210	(781)
1,349,189	1,475,173	635,578	(839,595)
88,353	135,985	53,333	(82,652)
-	-	-	-
-	-	-	-
103,564	1,197	38,913	37,716
4,158,176	4,097,212	3,381,138	(716,074)
2,301	2,301	2,194	107
2,400	2,400	2,381	19
4,095,300	4,316,685	3,101,713	1,214,972
18,548	18,383	15,783	2,600
-	-	-	-
7,737	7,958	7,898	60
51,618	72,500	15,996	56,504
4,177,904	4,420,227	3,145,965	1,274,262
(19,728)	(323,015)	235,173	558,188
171,200	171,316	181,813	10,497
(316,946)	(321,257)	(301,570)	19,687
(145,746)	(149,941)	(119,757)	30,184
(165,474)	(472,956)	115,416	588,372
1,760,960	1,760,960	1,760,960	-
\$ 1,595,486	\$ 1,288,004	\$ 1,876,376	\$ 588,372

Continued on next page

**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –
General and Major Special Revenue Funds** *(Continued from previous page)*

Fiscal Year Ended June 30, 2007
(Dollars in Thousands)

	Special Revenue Funds			
	Federal Trust			Final/Actual Variance Positive Negative
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes:				
Individual and Fiduciary Income	\$ -	\$ -	\$ -	\$ -
Sales and Use	-	-	-	-
Corporation Income	-	-	-	-
Motor Fuel	-	-	-	-
Motor Vehicle Sales and Use	-	-	-	-
Deeds, Contracts, Wills, and Suits	-	-	-	-
Premiums of Insurance Companies	-	-	-	-
Alcoholic Beverage Sales	-	-	-	-
Tobacco Products	-	-	-	-
Estate	-	-	-	-
Public Service Corporations	-	-	-	-
Other Taxes	-	-	-	-
Rights and Privileges	43	39	18	(21)
Sales of Property and Commodities	150	366	485	119
Assessments and Receipts for Support of Special Services	-	-	8	8
Institutional Revenue	-	-	-	-
Interest, Dividends, and Rents	250	355	3,859	3,504
Fines, Forfeitures, Court Fees, Penalties, and Escheats	151	43	146	103
Federal Grants and Contracts	5,168,454	5,403,722	5,520,567	116,845
Receipts from Cities, Counties, and Towns	-	-	-	-
Private Donations, Gifts and Contracts	-	-	-	-
Tobacco Master Settlement	-	-	-	-
Other	22,526	27,862	72,805	44,943
Total Revenues	5,191,574	5,432,387	5,597,888	165,501
Expenditures:				
Current:				
General Government	101,584	146,602	117,792	28,810
Education	802,936	905,117	874,608	30,509
Transportation	34,241	23,205	8,801	14,404
Resources and Economic Development	152,781	170,331	140,375	29,956
Individual and Family Services	4,026,329	4,095,788	4,403,382	(307,594)
Administration of Justice	56,005	64,394	41,664	22,730
Capital Outlay	17,655	26,907	12,078	14,829
Total Expenditures	5,191,531	5,432,344	5,598,700	(166,356)
Revenues Over (Under) Expenditures	43	43	(812)	(855)
Other Financing Sources (Uses):				
Transfers:				
Transfers In	-	-	10,870	10,870
Transfers Out	(43)	(43)	(10,058)	(10,015)
Total Other Financing Sources (Uses)	(43)	(43)	812	855
Revenues and Other Sources Over (Under)				
Expenditures and Other Uses	-	-	-	-
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

See notes on page 159 in this section.

Notes for Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General and Major Special Revenue Funds

1. BASIS OF BUDGETING VS. MODIFIED ACCRUAL BASIS FUND BALANCE (1)

Since the presentation of financial data on the basis of budgeting differs from that presented under accounting principles generally accepted in the United States of America, a schedule reconciling the fund balance on a budgetary basis at June 30, 2007, to the fund balance on a modified accrual basis follows.

Fund Balance Comparison
Budgetary Basis to GAAP Basis
June 30, 2007

(Dollars in Thousands)

	General Fund	Commonwealth Transportation Fund	Federal Trust Fund
Fund Balance, Basis of Budgeting	\$ 2,955,101	\$ 1,876,376	\$ -
Adjustments from Budget to Modified Accrual, Undesignated:			
Accrued Revenues:			
Taxes	585,325	143,245	-
Tax Refunds	(306,942)	-	-
Other Revenue/Other Sources	19,516	95,488	406,382
Deferred Taxes (2)	(243,302)	-	-
Medicaid Payable	(190,914)	-	(194,274)
Accrued Expenditures/Other Uses	(835,095)	(162,277)	(156,514)
Fund Balance, Modified Accrual Basis	<u>\$ 1,983,689</u>	<u>\$ 1,952,832</u>	<u>\$ 55,594</u>

1. As discussed in Note 1.E., the Literary Fund has no approved budget.
2. See also Note 1.Q.

2. APPROPRIATIONS

The amounts presented in the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General and Major Special Revenue Funds are principally on a cash basis and represent the original budget adopted by the General Assembly and all supplemental appropriations and transfers. The following schedule reconciles original appropriations to the final adjusted expenditure appropriations for the General Fund and Major Special Revenue Funds, at June 30, 2007, except the Literary Fund which has no approved budget.

<i>(Dollars in Thousands)</i>	General Fund (10)	Commonwealth Transportation Fund	Federal Trust Fund (11)
Appropriations (1)	\$ 16,474,910	\$ 4,177,904	\$ 5,191,531
Supplemental Appropriations:			
Reappropriations (2)	210,103	51,618	24,567
Subsequent Executive (3)	64,843	324,166	244,304
Subsequent Legislative (4)	350,658	(139,820)	7,412
Capital Outlay and Operating Reversions (5)	(245)	-	(315)
Deficit (6)	9,634	-	-
Transfers (7)	(257,185)	33,671	(16,301)
Capital Outlay Adjustment (8)	123,801	(29,021)	(18,854)
Debt Service Adjustment (9)	-	1,709	-
Appropriations, as adjusted	<u>\$ 16,976,519</u>	<u>\$ 4,420,227</u>	<u>\$ 5,432,344</u>

1. Represents the budget appropriated through Chapter 3, 2006 Acts of Assembly, as amended by Chapter 847, 2007 Acts of Assembly.
2. Actions taken to reappropriate any prior year unexpended balances per authority of the language in the Appropriation Act.
3. Actions taken by the Governor to carry forward any prior year unexpended balances, sum sufficient authority, and year 2 to year 1 reductions (General Fund) and actions taken to appropriate any additional revenues collected so that they can be legally spent (Special Revenue Funds).
4. Actions taken by the Governor and the General Assembly to adjust the budget.
5. Represents reversions of unexpended capital outlay and operating balances.
6. Represents additional appropriations authorized by the Governor to prevent agencies from incurring deficits. This deficit appropriation relates to the purchase of antiviral medications as part of a new federal Health and Human Services Pandemic Influenza Preparedness Plan.
7. Represents transfers required by the Appropriation Act. Transfers out are reduced by approximately \$1.6 billion (General Fund) and \$1.1 million (Commonwealth Transportation Fund) for transfers to component units and fiduciary funds that have been reclassified as expenditures in accordance with GASB Statement No. 34.
8. Capital outlay appropriations cover the projects' lives and usually extend beyond the current fiscal year. These amounts have been adjusted to report the amount authorized for expenditure during the current fiscal year.
9. The Special Revenue Commonwealth Transportation Fund appropriations have been adjusted for debt service.
10. Prior year reversions of \$155.1 million are included in the accounting system for monitoring, but do not represent current year appropriations and are not in this schedule.
11. Appropriations do not include food stamp issuances of \$544 million since this is a noncash item; however, this amount is included in actual expenditures.

Funding Progress for Defined Benefit Pension Plans

(Dollars in Millions)

Actuarial Valuation Date June 30	Actuarial Value of Assets [a]	Actuarial Accrued Liability (AAL) Entry Age [b]	Unfunded AAL (UAAL) [b-a]	Funded Ratio [a/b]	Covered Payroll [c]	UAAL as a Percentage of Covered Payroll [b-a]/[c]
Virginia Retirement System (VRS) **						
2006	\$ 42,669	\$ 52,822	\$ 10,153	80.8%	\$ 13,002	78.1%
2005	40,372	49,628	9,256	81.3%	12,212	75.8%
2004	39,691	43,958	4,267	90.3%	11,510	37.1%
2003	39,243	40,698	1,455	96.4%	10,885	13.4%
2002	38,957	38,265	(692)	101.8%	10,669	(6.5%)
2001	37,968	35,384	(2,584)	107.3%	10,145	(25.5%)
* 2000	34,392	32,643	(1,749)	105.4%	9,529	(18.4%)
1999	29,804	31,419	1,615	94.9%	9,138	17.7%
** 1998	25,481	29,027	3,546	87.8%	8,638	41.1%
* 1996	19,032	23,842	4,810	79.8%	7,769	61.9%
State Police Officers' Retirement System (SPORS)						
2006	\$ 539	\$ 730	\$ 191	73.8%	\$ 94	203.2%
2005	514	673	159	76.4%	91	174.7%
2004	511	656	145	77.9%	82	176.8%
2003	509	616	107	82.6%	79	135.4%
2002	508	595	87	85.4%	81	107.4%
2001	495	557	62	88.9%	83	74.7%
* 2000	441	513	72	86.0%	81	88.9%
1999	377	463	86	81.4%	77	111.7%
** 1998	322	425	103	75.8%	65	158.5%
* 1996	243	371	128	65.5%	60	213.3%
Virginia Law Officers' Retirement System (VaLORS)						
2006	\$ 656	\$ 1,096	\$ 440	59.9%	\$ 321	137.1%
2005	575	980	405	58.7%	307	131.9%
2004	509	927	418	54.9%	298	140.3%
2003	458	854	396	53.6%	292	135.6%
2002	418	806	388	51.9%	306	126.8%
2001	393	628	235	62.6%	320	73.4%
*** 2000	307	680	373	45.1%	315	118.4%
Judicial Retirement System (JRS)						
2006	\$ 302	\$ 424	\$ 122	71.2%	\$ 54	225.9%
2005	288	402	114	71.6%	52	219.2%
2004	285	366	81	77.9%	48	168.8%
2003	282	348	66	81.0%	48	137.5%
2002	281	352	71	79.8%	48	147.9%
2001	277	342	65	81.0%	47	138.3%
* 2000	245	330	85	74.2%	45	188.9%
1999	210	302	92	69.5%	42	219.0%
** 1998	180	274	94	65.7%	39	241.0%
* 1996	138	243	105	56.8%	36	291.7%

* Revised economic and demographic assumptions due to experience study.

** Change in benefit formula, unreduced early retirement age and in the actuarial amortization method.

*** The first actuarial valuation for the Virginia Law Officers' Retirement System, established on October 1, 1999, was performed as of June 30, 2000.

See Notes on following page.

Notes:	Valuation Date:	June 30, 2006
	Actuarial Cost Method:	Entry Age Normal
	Amortization Method:	
	State Employees	Level percent, closed
	Teachers	Level percent, closed
	Political Subdivision Employees	Level percent, closed
	State Police / VA Law Officers / Judges	Level percent, closed
	Payroll Growth Rate:	
	State Employees	3.00%
	Teachers	3.00%
	Political Subdivision Employees	2.50%
	State Police / VA Law Officers / Judges	3.00%
	Remaining Amortization Period:	
	State Employees	20 years
	Teachers	20 years
	Political Subdivision Employees	20 years
	State Police / VA Law Officers / Judges	20 years
	Asset Valuation Method:	5 year Smoothed Market
	Actuarial Assumptions:	
	Investment Rate of Return (1)	7.50%
	Projected Salary Increases (1)	
	State Employees	3.75% to 5.60%
	Teachers	3.75% to 6.20%
	Political Subdivision Employees (Non-Hazardous Duty Employees)	3.75% to 5.60%
	Political Subdivision Employees (Hazardous Duty Employees)	3.50% to 4.75%
	State Police / VA Law Officers / Judges	3.50% to 4.75%
	Cost of Living Adjustments	2.50%

(1) Includes inflation at 2.50%.

Funding Progress for Other Post-Employment Benefit Plans

(Dollars in Thousands)

Actuarial Valuation Date June 30	Actuarial Value of Assets [a]	Actuarial Accrued Liability (AAL) [b]	Unfunded AAL (UAAL) [b-a]	Funded Ratio [a/b]	Covered Payroll [c]	UAAL as a Percentage of Covered Payroll [b-a]/[c]
<i>Group Life Insurance Fund</i>						
* 2006	\$ 751,361	\$ 1,435,740	\$ 684,379	52.3%	\$ 13,922,762	4.9%
<i>Retiree Health Insurance Credit Fund</i>						
* 2006	\$ 175,223	\$ 1,315,961	\$ 1,140,738	13.3%	\$ 9,964,627	11.4%
<i>Disability Insurance Trust Fund</i>						
* 2006	\$ 191,872	\$ 422,886	\$ 231,014	45.4%	\$ 3,715,897	6.2%

* 2006 was the first actuarial valuation prepared using the required parameters of GASB Statement No. 43. There is no Schedule of Employer Contributions included in this report since the first contributions paid based on the valuation using the GASB Statement No. 43 parameters did not occur until fiscal year 2008. These results will be included in the fiscal year 2008 CAFR and Schedule of Employer Contributions.

See Notes on following page.

Notes:

	Group Life Insurance Fund	Retiree Health Insurance Credit Fund	Disability Insurance Trust Fund
Valuation Date	June 30, 2006	June 30, 2006	June 30, 2006
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Projected Unit Credit
Amortization Method	Level Percent, Open	Level Percent, Open	Level Percent, Open
Payroll Growth Rate:			
State Employees	3.00%	3.00%	3.00%
Teachers	3.00%	3.00%	3.00%
Political Subdivision Employees	2.50%	2.50%	2.50%
State Police / VA Law Officers / Judges	3.00%	3.00%	3.00%
Remaining Amortization Period	30 years	30 years	30 years
Asset Valuation Method	5-Year, Smoothed Market	5-Year, Smoothed Market	Market Value
Actuarial Assumptions:			
Investment Rate of Return (1)	7.50%	7.50%	7.50%
Projected Salary Increases (1)			
State Employees	3.75% to 5.60%	N/A	3.75% to 5.60%
Teachers	3.75% to 6.20%	N/A	3.75% to 6.20%
Political Subdivision Employees (Non-Hazardous Duty	3.75% to 5.60%	N/A	3.75% to 5.60%
Political Subdivision Employees (Hazardous Duty Employees)	3.50% to 4.75%	N/A	3.50% to 4.75%
State Police / VA Law Officers / Judges	3.50% to 4.75%	N/A	3.50% to 4.75%
Judges	3.50%	N/A	3.50%

(1) Includes inflation at 2.50%.

Claims Development Information – Risk Management

(Dollars in Thousands)

Comparison of Earned Revenues and Investment Income to Related Costs of Loss and Other Expenses

Fiscal and Policy Year Ended	1998	1999	2000	2001
1. Required contribution and investment revenue:				
Earned	\$ 7,537	\$ 6,780	\$ 6,478	\$ 5,814
Ceded (a)	-	-	-	-
Net earned	7,537	6,780	6,478	5,814
2. Unallocated expenses	464	703	1,223	1,863
3. Estimated incurred claims and expenses, end of policy year:				
Incurred	2,760	2,719	2,263	2,688
Ceded (a)	-	-	-	-
Net incurred	2,760	2,719	2,263	2,688
4. Net paid (cumulative) as of:				
End of policy year	434	439	196	336
One year later	2,651	2,100	2,688	1,628
Two years later	3,261	2,938	3,322	2,388
Three years later	3,894	4,555	3,369	2,490
Four years later	4,183	4,873	3,447	2,530
Five years later	4,272	4,931	4,042	2,616
Six years later	4,314	5,144	4,062	2,616
Seven years later	4,327	5,144	4,069	
Eight years later	4,332	5,175		
Nine years later	4,473			
5. Reestimated ceded claims and expenses (a)	-	-	-	-
6. Reestimated incurred claims and expenses:				
End of policy year	2,760	2,719	2,263	2,688
One year later	4,080	5,509	4,801	3,752
Two years later	3,934	5,997	4,467	3,318
Three years later	4,565	5,769	3,589	3,270
Four years later	4,353	5,146	3,575	3,186
Five years later	4,378	5,955	4,211	3,171
Six years later	4,419	6,017	4,236	3,171
Seven years later	4,383	6,017	4,212	
Eight years later	4,484	5,265		
Nine years later	5,494			
7. Increase (decrease) in estimated net incurred claims and expense from end of policy year	2,734	2,546	1,949	483

The Commonwealth provides errors and omissions liability insurance and law enforcement professional liability insurance for local governmental units, which went into effect in fiscal year 1987. For fiscal years 1992-2000, this insurance coverage was provided through the Department of General Services, Division of Risk Management. Effective July 1, 2000, this coverage was provided through the Department of Treasury, Division of Risk Management.

See Notes on page 168 in this section.

2002	2003	2004	2005	2006	2007
\$ 5,324	\$ 5,740	\$ 5,729	\$ 5,788	\$ 6,166	\$ 6,560
-	-	-	-	-	-
5,324	5,740	5,729	5,788	6,166	6,560
924	918	1,209	1,068	1,008	1,047
4,110	3,488	2,861	2,790	1,539	2,060
-	-	-	-	-	-
4,110	3,488	2,861	2,790	1,539	2,060
550	380	161	227	177	106
1,979	1,894	1,072	1,699	745	
2,291	2,181	1,420	2,079		
2,556	2,375	1,539			
2,864	2,435				
2,900					
-	-	-	-	-	-
4,110	3,488	2,861	2,790	1,539	2,060
4,458	3,237	3,302	3,563	2,168	
4,196	2,910	2,306	3,418		
3,734	2,619	1,700			
3,299	2,447				
3,566					
(544)	(1,041)	(1,161)	628	629	-

Claims Development Information – Health Care

(Dollars in Thousands)

Comparison of Earned Revenues and Investment Income to Related Costs of Loss and Other Expenses

Fiscal and Policy Year Ended	1998	1999	2000	2001
1. Required contribution and investment revenue:				
Earned	\$ 54,089	\$ 64,419	\$ 75,569	\$ 88,313
Ceded (a)	-	-	-	-
Net earned	54,089	64,419	75,569	88,313
2. Unallocated expenses	5,286	6,632	6,997	7,203
3. Estimated incurred claims and expenses, end of policy year:				
Incurred	60,657	70,719	76,816	87,222
Ceded (a)	-	-	-	-
Net incurred	60,657	70,719	76,816	87,222
4. Net paid (cumulative) as of:				
End of policy year	53,219	62,219	68,336	74,579
One year later	-	-	-	-
Two years later	N/A	N/A	N/A	N/A
Three years later	N/A	N/A	N/A	N/A
Four years later	N/A	N/A	N/A	N/A
Five years later	N/A	N/A	N/A	N/A
Six years later	N/A	N/A	N/A	N/A
Seven years later	N/A	N/A	N/A	
Eight years later	N/A	N/A		
Nine years later	N/A			
5. Reestimated ceded claims and expenses (a)	-	-	-	-
6. Reestimated incurred claims and expenses:				
End of policy year	60,657	70,719	74,417	87,222
One year later	60,657	70,719	74,417	87,222
Two years later	N/A	N/A	N/A	N/A
Three years later	N/A	N/A	N/A	N/A
Four years later	N/A	N/A	N/A	N/A
Five years later	N/A	N/A	N/A	N/A
Six years later	N/A	N/A	N/A	N/A
Seven years later	N/A	N/A	N/A	
Eight years later	N/A	N/A		
Nine years later	N/A			
7. Increase (decrease) in estimated net incurred claims and expense from end of policy year	-	-	(2,399)	-

The Commonwealth, through its Department of Human Resource Management, provides health care insurance for local governmental units, which went into effect in fiscal year 1987.

See Notes on page 168 in this section.

2002	2003	2004	2005	2006	2007
\$ 100,836	\$ 118,825	\$ 137,582	\$ 157,959	\$ 184,360	\$ 202,366
-	-	-	-	-	-
100,836	118,825	137,582	157,959	184,360	202,366
6,225	6,171	6,271	10,655	11,899	13,782
95,860	104,453	124,887	144,976	152,289	163,787
-	-	-	-	-	-
95,860	104,453	124,887	144,976	152,289	163,787
80,974	99,443	99,656	140,452	147,534	159,769
-	-	-	-	-	-
N/A	N/A	N/A	N/A		
N/A	N/A	N/A			
N/A	N/A				
N/A					
-	-	-	-	-	-
95,860	104,453	124,887	144,976	152,289	163,787
95,860	104,453	124,887	144,976	152,289	
N/A	N/A	N/A	N/A		
N/A	N/A	N/A			
N/A	N/A				
N/A					
-	-	-	-	-	-

Notes for Claims Development Information Tables

The tables on the previous four pages illustrate how the Risk Management and Health Care Claims Funds earned revenues (net of reinsurance) and investment income compare to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the Funds as of the end of each of the past several years. The rows of the tables are defined as follows:

1. This line shows the total of each fiscal year's gross earned contribution revenue and investment revenue, contribution revenue ceded to reinsurers, and net earned contribution revenue and reported investment revenue.
2. This line shows each fiscal year's other operating costs of the Funds, including overhead and claims expense not allocable to individual claims.
3. This line shows the Funds' gross incurred claims and allocated claim adjustment expenses, claims assumed by reinsurers, and net incurred claims and adjustment expenses (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).
4. This section of rows shows the cumulative net amounts paid as of the end of successive years for each policy year.
5. This line shows the latest reestimated amount of claims assumed by reinsurers as of the end of the current year for each accident year.
6. This section of rows shows how each policy year's net incurred claims increased or decreased as of the end of successive years. (This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.)
7. This line compares the latest reestimated net incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of net claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of net incurred claims currently recognized in less mature policy years.

The columns of the tables show data for successive policy years.

Notes:

- (a) During fiscal year 1997, the Commonwealth implemented GASB Statement No. 30, *Risk Financing Omnibus*. The Commonwealth has no reinsurers; therefore, the ceded amounts on lines 1, 3, and 5 are zero.